

**MEMORANDUM OF INCORPORATION**

**OF**

**RATA SOCIAL SERVICES NPC  
A NON-PROFIT COMPANY WITH MEMBERS**

**(Registration Number: 2001 / 002289 / 08 )**

*(Hereinafter referred to as the "Company")*

CERTIFIED AS A TRUE COPY

01 APR 2016

CHIEF DIRECTORATE NON-PROFIT ORGANISATIONS  
DEPT. OF SOCIAL DEVELOPMENT

## OBJECTS

The **Company** is a **Non Profit Company** with **Members**, with its purpose being to be a dynamic organisation that renders professional welfare services from a Christian perspective to all vulnerable individuals and communities, with the assistance of qualified social workers, auxiliary workers, administrative personnel and voluntary assistants to further the collective interests of the **Members** and Community.

The organisation hereby constituted is called **Rata Social Services**.

The name of the organisation in the other official languages of the Republic is **Rata Maatskaplike Dienste**.

The shortened form of the name of the organisation is: **None**

The Ondersteuningsraad is herein after referred to as the Company.

The areas of operation of the Company are the following provinces:

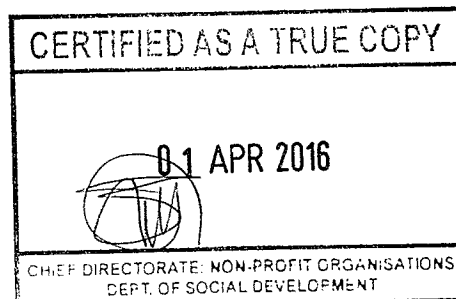
- North West
- Limpopo
- Mpumalanga
- Gauteng

The Company is entitled to raise funds anywhere in the world and to receive funds anywhere in the world.

The Company is a legal persona with perpetual succession and undertakes all legal action in a manner permitted by the Constitution of South Africa.

The Company shall:

- Exist in its own right, separately from its members.
- Continue to exist even when its membership changes and there are different office bearers.
- Be able to own property and other possessions.
- Be able to sue and be sued in its name.



1. **VISION**

To be a dynamic organisation that renders professional welfare services from a Christian perspective to all vulnerable individuals and communities, with the assistance of qualified social workers, auxiliary workers, administrative personnel and voluntary assistants.

2. **MISSION**

As commissioned by the Holy Trinity, the Company strives to provide for people with social needs within the Netherdutch Reformed Church, the Maranatha Reformed Church of Christ (MRCC) and the community by:

- rendering social work services at clinical/therapeutic and preventative/development levels; and
- equipping church members and volunteer workers for ministering.

3. **VALUES**

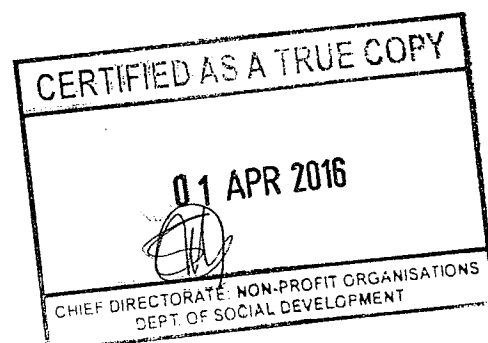
To promote the social functioning of all clients of the Company through all aspects of service delivery, focusing on:

- Empowerment of communities and individuals
- Enhancement of quality of life of all clients
- Protection of children against all forms of abuse
- Strengthening of family structures and values
- Protection of the elderly and the disabled

4. **OBJECTIVES**

In order to achieve its mission, the Company will:

- Communicate and negotiate with international, national, provincial, local, governmental and non-governmental structures on policy matters related to child- and family services.
- Advocate and lobby for improved service delivery in the field of child and family care.
- Provide a therapeutic and rehabilitative service to individuals affected in the field of child and family care.
- Establish and maintain resources for the promotion of social well-being of individuals, families and communities in the four (4) provinces of operation.
- Create an awareness of all forms of abuse of women and children and prevention services available for these issues.



- Promote and conduct research into the causes, incidence and treatment of dysfunctional families, as well as all legislation regarding child protection.
- Ensure capacity building and training of all staff and stakeholders in the field of child and family care.
- Ensure the sustainability of services through marketing, fundraising and participation in national fundraising events.
- Monitor and evaluate the service delivery of the Company on a continuous basis

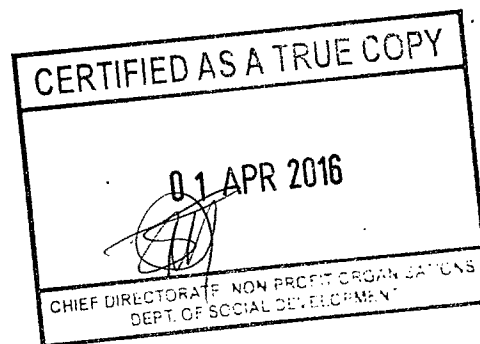
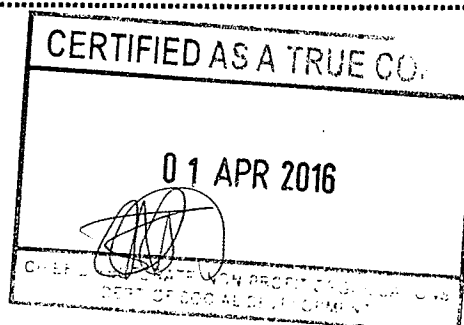


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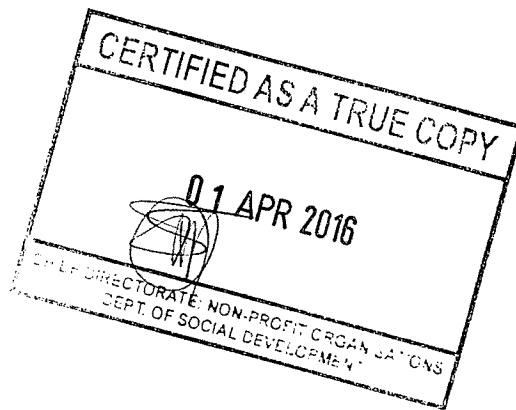
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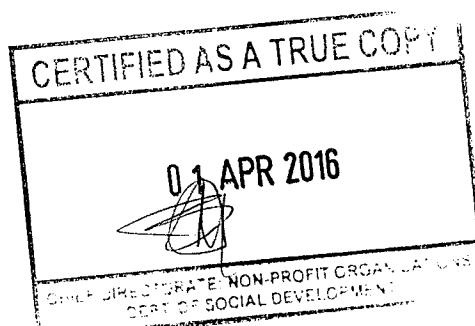
Schedules

**SCHEDULE 1 – REQUIREMENTS TO QUALIFY FOR TAX EXEMPTION**

**SCHEDULE 2 – SPECIAL RESOLUTION OF MEMBERS**



- 1       **ARTICLE 1 – INCORPORATION AND NATURE OF THE COMPANY**
- 1.1       **Incorporation**
- 1.1.1     The **Company** is incorporated as a **Non Profit Company with Members**, with registration number 2001 / 002289 / 08
- 1.1.2     The name of the **Company** is **Rata Social Services**. The name of the organisation in the other official languages of the Republic is **Rata Maatskaplike Dienste**.
- 1.1.3     The **Company** is incorporated in accordance with, and governed by:
- 1.1.3.1       the unalterable provisions of the **Act** that are applicable to **Non Profit Companies**;
- 1.1.3.2       the alterable provisions of the **Act** that are applicable to **Non Profit Companies**, subject to any limitation, extension, variation or substitution set out in this **Memorandum**; and
- 1.1.3.3       the provisions of this **Memorandum**.
- 1.1.4     income and property of the **Company** shall be applied towards the promotion of its **Objects**, and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise, to its **Members**, *provided* that nothing herein contained shall prevent the payment in good faith of reasonable remuneration to any officer or employee of the **Company** or to any **Member** thereof resulting in/from any service/s rendered to the **Company** by such officer, employee or **Member** in the ordinary course of conducting the **Company's** business and achieving its **Objects**.
- 1.2       **Objects and Powers of the Company**
- 1.2.1     Except to the extent necessarily implied by the **Objects**, the **Company** has all of the legal powers and capacity of an individual, except to the extent that a juristic person is incapable of exercising any such power or having any such capacity. For avoidance of doubt, the purposes and powers of the **Company** are not subject to any restriction, limitation or qualification, as contemplated in section 19(1)(b)(ii) of the **Act**.
- 1.2.2     The **Company** is and shall continue to be a distinct and separate legal entity with the power to acquire, to hold and to alienate property of every description whatsoever and with the capacity to acquire rights and obligations and having perpetual succession.



1.2.3 The **Company** is not subject to any provision contemplated in section 15(2)(b) or (c) of the **Act**. For avoidance of doubt, this **Memorandum** does not:

1.2.3.1 contain any specific restrictive conditions or other limitations applicable to the **Company**, and/or

1.2.3.2 prohibit the amendment of any particular provision of this **Memorandum** beyond the requirements of the **Act**.

1.2.4 Upon dissolution of the **Company**, its net assets must be distributed in the manner determined in accordance with item 1(4)(b) of schedule 1 of the **Act**. For avoidance of doubt, upon the winding-up or dissolution of the **Company**, its entire net value must be distributed to:

1.2.4.1 one or more non-profit companies, or

1.2.4.2 registered external non-profit companies carrying on activities within the Republic of South Africa, or

1.2.4.3 voluntary associations, or

1.2.4.4 non-profit trusts,

having objects similar to the **Objects** and as determined by the **Members**, at or immediately before the time of its dissolution. If the **Members** fail to make such a determination, the matter shall be referred to the appropriate court for determination.

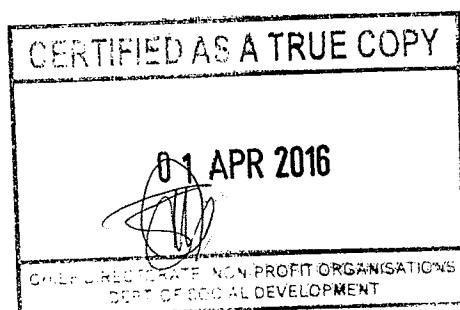
### 1.3 **Memorandum of Incorporation and Company Rules**

1.3.1 This **Memorandum** may be altered or amended only in the manner set out in sections 16, 17 or 152(6)(b) of the **Act**. For avoidance of doubt this **Memorandum** may be amended:

1.3.1.1 in compliance with a court order, effected by a resolution of the **Board**; or

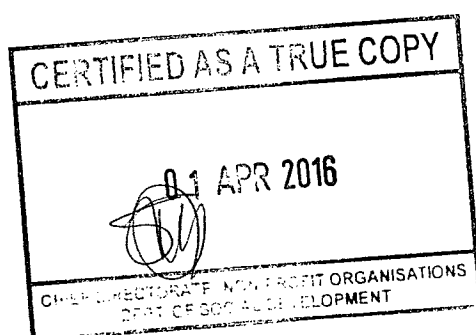
1.3.1.2 in the manner contemplated in section 36(3) and (4) of the **Act**; or

1.3.1.3 pursuant to a special resolution to amend it being proposed by: i) the **Board**; or ii) **Members** entitled to exercise at least 10% (ten percent) of the voting rights that may be exercised on such a resolution, which special resolution is subsequently adopted: i) at a **Members'** meeting by a 75% majority, or ii) as a written resolution by a 75% majority in terms of section 60 of the **Act**





- 1.3.1.4 by the **Board**, or an individual authorised by the **Board**, in any manner necessary to correct a patent error in spelling, punctuation, reference, grammar or similar defect on the face of the document by: i) publishing a notice of the amendment in a manner required or permitted by this **Memorandum** or the **Rules**, and ii) filing such a notice.
- 1.3.1.5 by an appointed **Business Rescue Practitioner** as envisaged in terms of section 152(6)(b) of the **Act**.
- 1.3.2 The authority of the **Board** to make, amend or repeal any necessary or incidental **Rules** relating to the governance of the **Company**, as contemplated in section 15(3) to (5) of the **Act**, is not limited or restricted in any manner by this **Memorandum**.
- 1.3.3 The **Board** must publish any **Rules** made in terms of section 15(3) to (5) of the **Act**, by delivering a copy of those rules to each **Member** by ordinary or electronic mail, and thereafter filing a copy of such rules with the Companies and Intellectual Property Commission (CIPC).
- 1.3.4 The **Rules** are binding on an interim basis until it is put to a vote at the next general meeting of **Member** of the **Company**, and on a permanent basis only to the extent that they have been ratified by an ordinary resolution at such meeting. Any failure to ratify a **Rule** will not affect the validity of anything done in terms of such a **Rule** during the period in which it had an interim effect.
- 1.3.5 The **Company** must publish a notice of any alteration to this **Memorandum** or the **Rules**, made in terms of section 17(1) of the **Act**, by delivering a copy of those amendments to each **Member** by ordinary or electronic mail.
- 1.4 **Optional provisions of Chapter 3 of the Act**
- 1.4.1 The **Company** elects, in terms of sections 34(2) and 84(1)(c)(ii) of the **Act**, not to comply voluntarily with the provisions of Part B, Part C and Part D of Chapter 3 of the Act and therefore the Company shall not voluntarily submit its financial records to an annual audit, and shall not be not be obliged to appoint:
- 1.4.1.1 a person to serve as Auditor, in the manner and for the purposes set out in sections 90 to 93 of the Act; and
- 1.4.1.2 a person to serve as a company secretary, in the manner and for the purposes set out in sections 86 to 89 of the Act; and
- 1.4.1.3 an audit committee, unless otherwise required by the Act or the Regulations, or

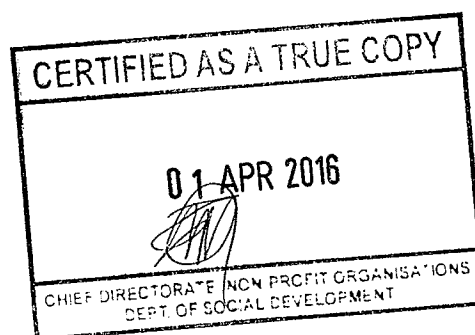


should the Shareholders or Board decide otherwise by resolution, then only to the extent so required.

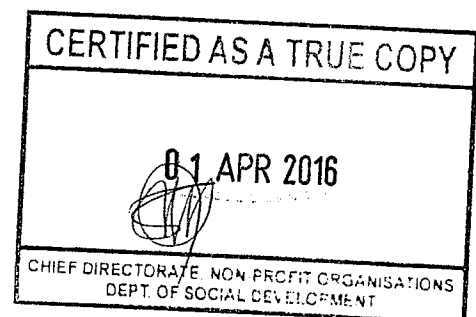
- 1.4.2 The auditor shall be appointed by **Members** on a majority vote at the Annual General Meeting of **Members**, or at a Special General Meeting of **Members** called specifically for such purpose, and serve as such until the next Annual General Meeting or Special General Meeting, as the case may be, where he shall either be re-elected or removed and replaced.
- 1.4.3 The **Company**, via the **Board**, shall ensure that the provisions of section 85 of the **Act** are adhered to. As such the **Board** shall maintain a record of its auditors, and file a notice of the appointment or termination of an auditor with the CIPC;
- 1.4.4 Proper books of account and financial records shall be kept in which a true and complete account of all transactions of the **Company** shall be recorded;
- 1.4.5 All monies received, for and on behalf of the **Company**, shall be deposited to the credit of the **Company** in its bank account and all disbursements made by cheque shall be signed by the designated signatories.

## 1.5 **Membership of the Company**

- 1.5.1 An individual interested in the realization of the objectives of the Company, and which is also an elected member of the Commission of the ADV (General Deacons Assembly of the Netherdutch Reformed Church) is a member of the Company. These members are appointed every three (3) years, except when a member resigns officially and a secundi member is appointed in that member's place. When a member's term on the Commission of the ADV has expired, he/she continues to be a member of the Company until he/she formally resigns. Furthermore, the Annual General Meeting may nominate a maximum of three (3) members who are not elected members of the Commission of the ADV.
- 1.5.2 As contemplated in item 4(1) of schedule 1 of the **Act**, the **Company** has **Members**, by virtue of their nomination to become members. Their respective voting rights being determined as follows:
- 1.5.2.1 A **Members Register** will be kept by the **Company**, and it is the responsibility of each of the **Members** to ensure that the **Company** has its correct details (contact and otherwise). Such a **Members Register** shall as a minimum include the following information on the **Members**:
- 1.5.2.1.1 Identity or registration number



- 1.5.2.1.2 Full names
- 1.5.2.1.3 Physical and postal address
- 1.5.2.1.4 Contact telephone number
- 1.5.2.1.5 Date of becoming a **Member**, and date on which a person ceases to be a **Member**, if applicable.
- 1.5.3 Membership of the **Company** does not and shall not give to any **Member** any right, title, interest, claim or demand in or to any of the monies, properties or assets of the **Company**, and **Members'** entitlements with regards to **Company** properties and assets are limited to the use and enjoyment thereof.
- 1.5.3.1 All **Members** are bound by this **Memorandum**, the schedules hereto and any **Rules** published by the **Board**.



## 2 ARTICLE 2 – RIGHTS OF MEMBERS

### 2.1 Members' right to information

2.1.1 A **Member** has the right to inspect and copy, without any charge for any such inspection, the information contained in the following records of the **Company**:

2.1.1.1 Minutes of **Board** meetings;

2.1.1.2 This **Memorandum** and any amendments to it;

2.1.1.3 The **Rules**;

2.1.1.4 The records in respect of the **Company's Directors** (name, contact details, etc.)

2.1.1.5 The reports to annual meetings and annual financial statements;

2.1.1.6 The notices and minutes of annual meetings and all communications related to meetings of **Members**;

2.1.1.7 The **Members'** register.

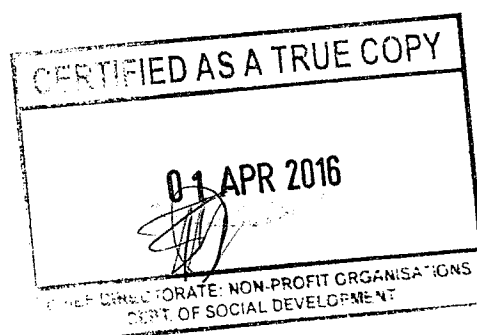
### 2.2 Representation by concurrent proxies

2.2.1 **Members** shall ensure that all persons attending a meeting, forum or discussion group orchestrated by the **Company**, or on its behalf, is in possession of a duly executed proxy instrument. **Members**, who are corporate entities, shall strive to ensure that their proxies are their chief executive officers, managing directors or comparable representatives.

2.2.2 The right of the **Members** to appoint 2 (two) or more persons concurrently as proxies, as set out in section 58(3)(a) of the **Act**, is not limited, restricted or varied by this **Memorandum**. For avoidance of doubt, a **Member** may appoint 2 (two) or more persons concurrently as proxies.

### 2.3 Authority of proxy to delegate

2.3.1 A **Member's** proxy does not have authority to delegate his/her powers as proxy to another person, as contemplated by section 58(3)(b) of the **Act**, unless the proxy instrument specifically allows for it, and subject to such delegation of the proxy's powers to another person being reduced to writing and subject further to such delegation being delivered to the **Company** on the same terms as required by 2.4 below.



## 2.4 Requirement to deliver proxy instrument to the Company

2.4.1 The requirement that a **Member** must deliver to the **Company** a copy of the proxy instrument appointing a proxy before that proxy may exercise the **Member's** rights at a **Members'** meeting, as set out in section 58(3)(c) of the **Act**, is not varied by this **Memorandum**.

2.4.2 For avoidance of doubt, a copy of the instrument appointing a proxy must be delivered to the **Company**, or to any other person on behalf of the **Company**, before the proxy exercises any rights of the **Member** at a **Members'** meeting.

## 2.5 Deliberative authority of proxy

2.5.1 The authority of a **Member's** proxy to decide without direction from the **Member** whether to exercise, or abstain from exercising, any voting right of the **Member**, as set out in section 58(7) of the **Act**, is not limited or restricted by this **Memorandum**.

2.5.2 For avoidance of doubt, a proxy is entitled to exercise, or abstain from exercising, any voting right of the **Member** without direction, except to the extent that the instrument appointing the proxy, provides otherwise.

## 2.6 Record date for exercise of member rights

2.6.1 The **Board** may set a record date for the purpose of determining which **Members** are entitled to:

2.6.1.1 receive notice of a **Members'** meeting;

2.6.1.2 participate in and vote at such a meeting;

2.6.1.3 decide any matter by written consent or electronic communication; or

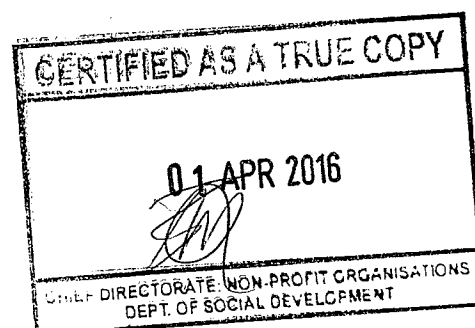
2.6.1.4 be allotted or exercise any other rights.

2.6.2 A record date so determined by the **Board**:

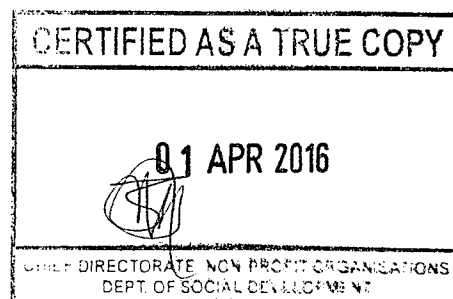
2.6.2.1 may not be:

2.6.2.1.1 earlier than the date on which the record date is determined; or

2.6.2.1.2 more than 10 (ten) **Business Days** before the date on which the event or the action for which the record date is being set, is scheduled to occur, and



- 2.6.2.2 must be published to the **Members**.
- 2.6.3 If, at any time, the **Board** fails to determine the record date, as envisaged in 2.6.1 and 2.6.2 above and via section 59 of the **Act**, the record date for the relevant matter is as determined in accordance with section 59 (3) of the **Act**, and more specifically:
- 2.6.3.1 in the case of a meeting, the latest date by which the **Company** is required to give **Members** notice of that meeting; or
- 2.6.3.2 the date of the action or event in any other case.



### 3 ARTICLE 3 – MEMBERS MEETINGS

#### 3.1 Requirement to hold meetings

3.1.1 The **Company** is required to hold an annual meeting of **Members**, in addition to those specifically required by the **Act**, once every calendar year within 6 (six) months after the end of the **Company's** financial year, but not later than 15 (fifteen) months after the date of the previous annual meeting of **Members**.

#### 3.2 Members' right to requisition a meeting

3.2.1 The **Board** must call a **Member's** meeting if one or more written and signed demands for such a meeting are delivered to the **Company**, and:

3.2.1.1 each such demand describes the specific purpose for which the meeting is proposed; and

3.2.1.2 In aggregate, demands for substantially the same purpose are made and signed by the holders, as of the earliest time specified in any of those demands, of at least 10% (ten percent) of the voting rights entitled to be exercised in relation to the matter proposed to be considered at the meeting.

3.2.2 The **Company**, or any **Member**, may apply to a court for an order setting aside a demand made in terms of 3.2.1 above on the grounds that:

3.2.2.1 the demand is frivolous,

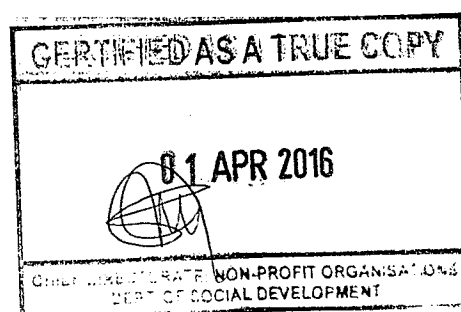
3.2.2.2 calls for a meeting for no other purpose than to reconsider a matter that has already been decided by the **Members**, or

3.2.2.3 is otherwise vexatious.

3.2.3 At any time before the start of a **Member's** meeting contemplated in 3.2.1

3.2.3.1 a **Member** who submitted a demand for that meeting may withdraw that demand; and

3.2.3.2 the **Company** must cancel the meeting if, as a result of one or more demands being withdrawn, the voting rights of any remaining **Members** continuing to demand the meeting, in aggregate, fall below the minimum percentage of voting rights required to call a meeting.



### 3.3 Location of members meetings

3.3.1 The **Board** has the authority to determine the exact location of any **Members'** meeting.

### 3.4 Notice of members meetings

3.4.1 The minimum number of days for the **Company** to deliver a notice of a **Members'** meeting to the **Members** as set out in section 62 of the **Act**, is 15 (fifteen) **Business Days** before the date fixed for the holding of the meeting.

3.4.2 The **Company** may call a meeting of **Members** with less notice than required by 3.4.1 above, if every person who is entitled to exercise voting rights in respect of any item on the meeting agenda:

3.4.2.1 is present at the meeting; and

3.4.2.2 votes to waive the required minimum notice of the meeting.

3.4.3 The notice of a meeting of **Members** must be in writing, and must include:

3.4.3.1 the date, time and place for the meeting, and the record date (refer 2.6 above) for the meeting;

3.4.3.2 the general purpose of the meeting, and any specific purpose contemplated in 3.2.1, if applicable;

3.4.3.3 a copy of any proposed resolution of which the **Company** has received notice, and which is to be considered at the meeting, and a notice of the percentage of voting rights that will be required for that resolution to be adopted;

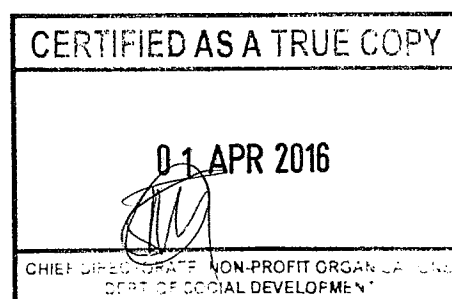
3.4.3.4 in the case of an annual general meeting of the **Company**:

3.4.3.4.1 the financial statements to be presented or a summarised form thereof; and

3.4.3.4.2 directions for obtaining a copy of the complete annual financial statements for the preceding financial year; and

3.4.3.5 a reasonably prominent statement that:

3.4.3.5.1 a **Member** entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, participate in and vote at the meeting in





the place of the **Member**, in the manner provided for in this **Memorandum**

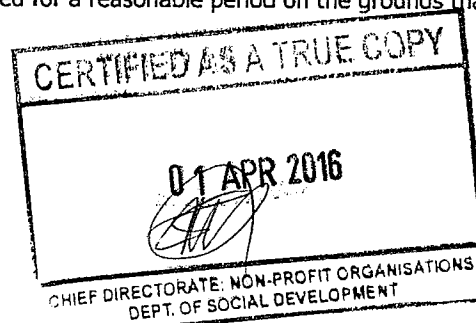
- 3.4.3.5.2 a proxy need not also be a **Member** of the **Company**; and
- 3.4.3.5.3 section 63(1) of the **Act** requires that meeting participants provide satisfactory identification

### 3.5 **Electronic participation in members meetings**

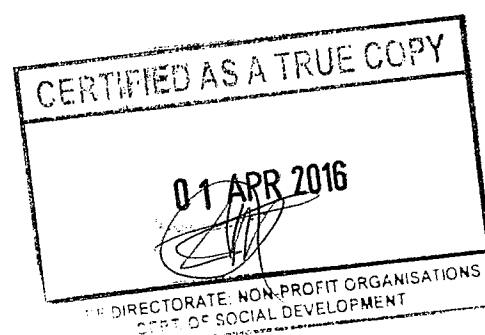
- 3.5.1 The authority of the **Company** to conduct a meeting entirely by electronic communication, or to provide for participation in a meeting by electronic communication, as set out in section 63 of the **Act**, is not limited or restricted by this **Memorandum**.

### 3.6 **Quorum for members meetings**

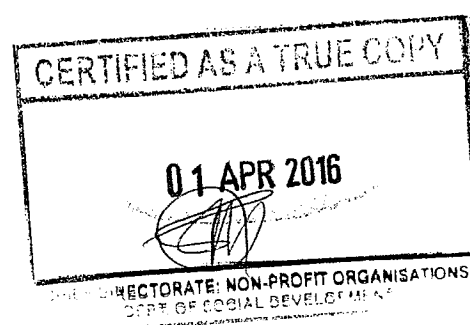
- 3.6.1 A **Members'** meeting may not begin until sufficient persons are present at the meeting to exercise, in aggregate, at least 30% (thirty percent) of all of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the meeting.
- 3.6.2 A matter to be decided at the meeting may not begin to be considered unless sufficient persons are present at the meeting to exercise, in aggregate, at least 30% (thirty percent) of all of the voting rights that are entitled to be exercised on that matter at the time the matter is called on the agenda.
- 3.6.3 If, within 30 (thirty) minutes after the appointed time for a meeting to begin, the requirements of 3.6.1 and 3.6.2
- 3.6.3.1 for that meeting to begin have not been satisfied, the meeting is postponed without motion, vote or further notice, for one week;
- 3.6.3.2 for consideration of a particular matter to begin have not been satisfied:
- 3.6.3.2.1 if there is other business on the agenda of the meeting, consideration of that matter may be postponed to a later time in the meeting without motion or vote; or
- 3.6.3.2.2 if there is no other business on the agenda of the meeting, the meeting is adjourned for one week, without motion or vote.
- 3.6.4 The person intended to preside at a meeting that cannot begin due to the operation of 3.6.1 may extend the 30 (thirty) minute limit allowed for a reasonable period on the grounds that:



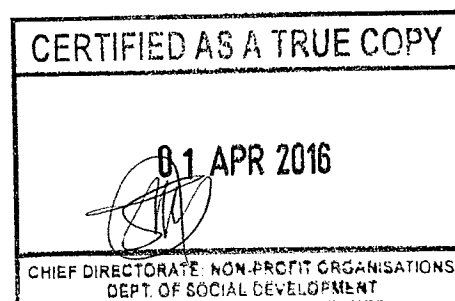
- 3.6.4.1 exceptional circumstances affecting weather, transportation or electronic communication have generally impeded or are generally impeding the ability of **Members** to be present at the meeting; or
- 3.6.4.2 1 (one) or more particular **Members**, having been delayed, have communicated an intention to attend the meeting, and those **Members**, together with others in attendance, would satisfy the requirements set in 3.6.1 and 3.6.2.
- 3.6.5 The **Company** is not required to give further notice of a meeting that is postponed or adjourned as provided for above, unless the location for the meeting is different from:
- 3.6.5.1 the location of the postponed or adjourned meeting; or
- 3.6.5.2 a location announced at the time of adjournment, in the case of an adjourned meeting.
- 3.6.6 If, at the time appointed for a postponed meeting to begin, or for an adjourned meeting to resume, the requirements of 3.6.1 and 3.6.2 have not been satisfied, the **Members**, present in person or by proxy will be deemed to constitute a quorum.
- 3.6.7 After a quorum has been established for a meeting, or for a matter to be considered at a meeting, the meeting may continue or the matter may be considered, as long as at least 11 (eleven) **Members** with voting rights entitled to be exercised at the meeting, or on that matter, is present at the meeting.
- 3.7 **Adjournment of members meetings**
- 3.7.1 A **Members'** meeting, or the consideration of any matter being debated at the meeting, may be adjourned from time to time without further notice, subject to 3.7.2, on a motion supported by persons entitled to exercise, in aggregate, a majority of the voting rights:
- 3.7.1.1 held by all of the persons who are present at the meeting at the time; and
- 3.7.1.2 that are entitled to be exercised on at least 1 (one) matter remaining on the agenda of the meeting, or on the matter under debate, as the case may be.
- 3.7.2 An adjournment of a meeting, or of consideration of a matter being debated at the meeting:
- 3.7.2.1 may be either to a fixed time and place or until further notice, as agreed at the meeting; and



- 3.7.2.2 requires that a further notice be given to **Members** only if the meeting determined that the adjournment was "until further notice".
- 3.7.3 A meeting may not be adjourned beyond the earlier of:
- 3.7.3.1 the date that is 120 (one hundred and twenty) **Business Days** after the record date determined in accordance with 2.6.2 ; or
- 3.7.3.2 the date that is 60 (sixty) **Business Days** after the date on which the adjournment occurred
- 3.8 **Members resolutions**
- 3.8.1 For an ordinary resolution to be adopted at a **Members** meeting, it must be supported by at least 50% (fifty percent) of the **Members** who voted on the resolution, as provided in section 65(7) of the **Act**.
- 3.8.2 For any special resolution to be adopted at a **Members** meeting, it must be supported by at least 75% (seventy five percent) of the **Members** who voted on the resolution.
- 3.8.3 A special resolution adopted at a **Member's** meeting is not required for a matter to be determined by the **Company**, except those matters set out in section 65(11) of the **Act**. For avoidance of doubt, a special resolution is required to:
- 3.8.3.1 amend the **Memorandum**, in general, or to allow for the amendment of the classes of **Members** or any rights attached to such **Membership**;
- 3.8.3.2 ratify a consolidated revision of the **Memorandum** as contemplated in section 18(1)(b);
- 3.8.3.3 ratify actions by the **Company** or members of the **Board** in excess of their authority, as contemplated in section 20(2);
- 3.8.3.4 authorise the basis for compensation of the members of the **Board**, as required by section 66(9), to the extent applicable;
- 3.8.3.5 approve the voluntary winding up of the **Company**, as contemplated in section 80(1);
- 3.8.3.6 approve the winding up of the **Company** by the court, as contemplated in section 81(1);



- 3.8.3.7 approve an application to transfer the registration of the **Company** to a foreign jurisdiction, as contemplated in section 82(5);
- 3.8.3.8 approve any proposed **Fundamental Transaction** to the extent required by Part A of Chapter 5 of the **Act**; or
- 3.8.3.9 revoke a resolution contemplated in section 164(9)(c) to amend the **Memorandum** by altering the preferences, rights, limitations or other terms of any class of its **Members** or a resolution to enter into **Fundamental Transaction**, as mentioned in 3.8.3.8 above.
- 3.8.4 All voting at meetings of **Members** will be conducted as a show of hands or electronic or postal votes where applicable, except in the event of a dispute on the result, in which case voting will be by ballot or division.
- 3.8.5 The chairman shall have a casting/deciding vote in addition to his deliberate vote as **Member** or **Member's** proxy, and in the event of an equality of votes, the resolution or motion shall be deemed carried.
- 3.8.6 Only **Members** of good standing shall be entitled to vote in person or by proxy at a meeting of **Members**.
- 3.8.7 An attendance register shall be kept at each **Members'** meeting, and a list of **Members** present shall be included in the minutes of such a meeting.



#### 4 **ARTICLE 4 – DIRECTORS AND OFFICERS**

##### 4.1 **Composition of the Board of Directors**

There shall be a Board consisting of a minimum of 8 (eight) and a maximum of 15 (fifteen) members. The composition will be as follows:

- At least 4 (four) representatives from the Netherdutch Reformed Church – At least 1 (one) representative from each of the 4 (four) provinces where the Company operates and delivers services. In case where the chairperson is not a member of the Netherdutch Reformed Church then a representative of the Netherdutch Reformed Church must be nominated to be on the Board.
- At least 4 (four) representatives from the Maranatha Reformed Christian Church (MRCC). In case where a representative is not a member of the Maranatha Reformed Christian Church then a representative of the Maranatha Reformed Church (MRCC) must be nominated to be on the Board.
- A maximum of 5 (five) additional members – Persons with financial expertise, as well as representatives from the Women’s Association of the Netherdutch Reformed Church and the Deaconal Assembly (ADV), and community members.
- 2 (two) officials from the Company.

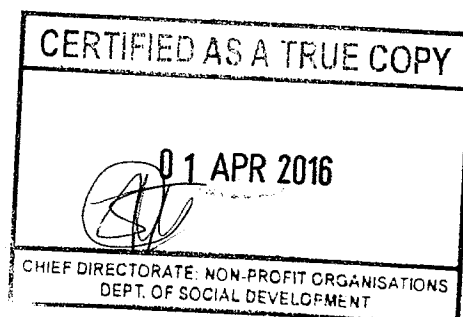
4.1.1 The **Board** shall be elected annually, at the annual general meeting of the **Company**.

4.1.2 The election of **Directors** shall be conducted by secret ballot as a series of votes, each of which being on the candidacy of a single individual to fill a single vacancy, with the series of votes continuing until all vacancies on the **Board** at that time has been filled.

4.1.3 In each vote to fill a vacancy on the **Board**, each voting right entitled to be exercised may be exercised once and the vacancy is filled if a majority of the voting rights exercised support the candidate.

4.1.4 Each **Member** shall be entitled to propose/nominate a person to be elected as **Director** of the **Board**. Such nomination/proposal shall be delivered to the current **Board** at least 5 (five) **Business Days** before the date of holding the annual general meeting at which election is to take place, and shall be accompanied by:

4.1.4.1 a secondment by another **Member**, and



- 4.1.4.2 acceptance in writing by the proposed/nominated person.
- 4.1.5 Should insufficient nominations be received in terms of 4.1.4 to satisfy the requirements of 4.1.4 above, nominations will be accepted from the floor at the meeting of **Members** at which the vote is taken for **Directors**;
- 4.1.6 Notwithstanding that stated in 4.1.4 above, the **Directors** who form the **Board** at date of the annual general meeting at which election is to take place, shall automatically be eligible for re-election without nomination being required.
- 4.1.7 In addition to the elected **Directors** there are no appointed or *ex officio* **Directors** of the **Company**, as contemplated in section 66(4) of the **Act**.
- 4.1.8 In addition to satisfying the qualification and eligibility requirements set out in section 69 of the **Act**, to become or remain a **Director** of the **Company**, a person need not, subject to clause 4.1.8.6, satisfy any further eligibility requirements or qualifications. For avoidance of doubt, the following persons will be ineligible or disqualified from serving as **Directors**:
- 4.1.8.1 a juristic person;
- 4.1.8.2 an unemancipated minor;
- 4.1.8.3 a person prohibited by a court from serving as such, or having been declared to be delinquent in terms of the **Act**;
- 4.1.8.4 an unrehabilitated insolvent;
- 4.1.8.5 a person prohibited by public regulation from being a **Director**;
- 4.1.8.6 a person convicted of a crime and imprisoned without the option of a fine or fined more than the prescribed amount, for any offence involving theft, fraud, dishonesty, forgery, perjury, or in connection with the formation and management of a company, or in terms of the Insolvency Act, 1936, the Close Corporations Act, 1984, the Competition Act, the Financial Intelligence Centre Act, 2001, the Security Services Act, 2004 or the Prevention and Combating of Corruption Activities Act,
- 4.1.9 The chairman of the **Company** and the **Board** shall be elected from and by the **Directors**.
- 4.1.10 The **Company** may, at a special general meeting, remove any **Director** of the **Board** before the expiry of his/her term of office and appoint another in his/her stead to hold office for the unexpired part of the term of office of the **Director** so removed, provided that the intention to vote upon his/her removal was specified in the notice convening the meeting.

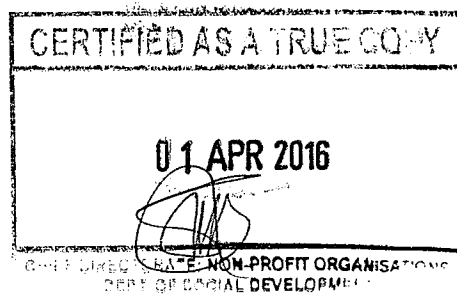
REGISTERED AS A TRUSTEES COMPANY

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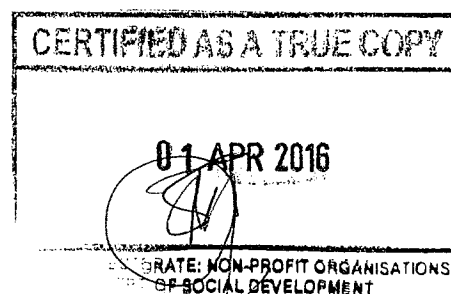
INCORPORATED IN SOUTH AFRICA  
 DEPARTMENT OF SOCIAL DEVELOPMENT

#### 4.2 Authority of the Board of Directors

- 4.2.1 The management and control of the affairs of the **Company** shall vest in the **Board** which shall have full power and authority to do or perform any act, function, matter or thing which could or might be done by the **Company**, except where such matters are in this **Memorandum** specifically reserved to be dealt with by a general meeting of **Members**.
- 4.2.2 The **Board** shall have all the necessary powers and authority required by them to achieve the **Objects**.
- 4.2.3 The **Company** may at any general meeting of **Members** repeal, approve or amend any decision of the **Board** but no such decision of the **Company** shall invalidate any action taken by the **Board** in accordance with this **Memorandum**. No decision so repealed or amended shall invalidate any prior act of the **Board** which would have been valid if that decision had not been repealed or amended.
- 4.2.4 Without in any way limiting or removing the powers and authority of the **Board**, it shall in addition have the following special powers:
- 4.2.4.1 To make any regulations, by-laws, rules or take any resolutions or decisions that are necessary or expedient in order to achieve the **Objects** in terms of this **Memorandum**;
- 4.2.4.2 To determine and decide on the remuneration of the **Company's** auditor and other duly appointed professionals and officers;
- 4.2.4.3 To decide on points of dispute, with the **Board's** decision and its ruling thereon being final and binding;
- 4.2.4.4 To appoint a service-provider and other employees of the **Company** upon such terms and conditions and fees as is reasonable by comparison, and to exercise sufficient control over such service-providers and employees in the performance of their duties;
- 4.2.4.5 To institute, conduct, defend, oppose, settle or abandon any legal proceedings by and against the **Company**, or its officers or otherwise concerning the affairs of the **Company**, and also to settle and allow time for payment in satisfaction of any debts due, and of any claims or demand by or against the **Company**;
- 4.2.4.6 To refer any claim or demand by or against the **Company** to arbitration;

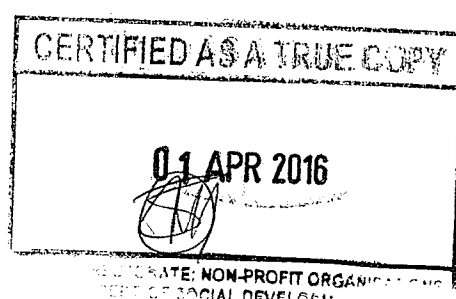


- 4.2.4.7 To invest, re-invest and deal with any monies of the **Company** not immediately required for the purpose of the **Company** upon such securities and on such terms as it may think fit, and from time to time vary or realise such investments for the benefit or advancement of the **Company's** objects;
- 4.2.4.8 To utilize the assets, funds, profits and gains of the **Company** for investment or for attainment of the **Objects**;
- 4.2.4.9 To implement the duly authorised amendment of this **Memorandum**;
- 4.2.4.10 To maintain a **Members Register** and deal with all matters related to and affecting membership;
- 4.2.4.11 To open accounts with any recognised commercial bank or financial institution, and designate officials with signatory rights to operate such account;
- 4.2.4.12 To insure that minutes of all meetings are properly recorded and that books of account are kept in which all the financial transactions of the **Company** are duly recorded in terms of recognised auditing standards;
- 4.2.4.13 To ensure that a properly audited balance sheet as at the end of each financial year, with the supporting revenue and expenditure account is presented to the annual general meeting of **Members**;
- 4.2.4.14 To prepare and submit to the annual general meeting of **Members** a report on the **Board's** activities over the preceding year;
- 4.2.4.15 To determine the date, time and place of the annual general meeting of **Members**;
- 4.2.4.16 To ensure compliance by the **Company** with all relevant legislation;
- 4.2.4.17 To do all such other things as may be necessary for the proper carrying out of the **Objects**.
- 4.2.5 A Director shall disclose his or her personal financial interests in any matter considered by the **Board** or the **Members** in terms of section 75 of the **Act**. For avoidance of doubt, a **Director** who has, or knows of a **Related** person who has, a personal financial interest in a matter considered by the **Company**:
- 4.2.5.1 must disclose the interest and its general nature before the matter is considered;

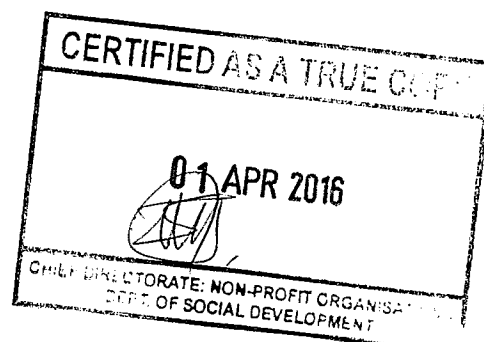




- 4.2.5.2 must disclose to the **Company** any material information relating to the matter, and known to the **Director**;
- 4.2.5.3 may disclose any observations or pertinent insights relating to the matter if requested to so;
- 4.2.5.4 if present at a meeting at which a matter is considered in which he has a personal financial interest, leave the meeting immediately after disclosing such personal financial interest;
- 4.2.5.5 must not take part in the consideration of the matter;
- 4.2.5.6 must not execute any document on behalf of the **Company** in relation to the matter.
- 4.2.6 A **Director** acquiring a personal financial interest in a matter subsequent to such matter being approved by the **Company**, shall have the same obligations of disclosure as detailed in 4.2.5 above.
- 4.3 **Board meetings**
- 4.3.1 A decision that could be voted on at a meeting of the **Board** may instead be adopted by written consent of a majority of the **Directors** of the **Board**, given in person, or by electronic communication, provided that each **Director** has received notice of the matter to be decided. Such a written or round-robin resolution shall be deemed to have been passed on the date that the last **Director** affixes his signature thereto.
- 4.3.2 A **Director** authorised by the **Board**:
- 4.3.2.1 may call a meeting of the **Board** at any time; and
- 4.3.2.2 must call such a meeting if required to do so by at least 25% (twenty five percent) of the **Directors**, in the case of the **Board** having at least 12 (twelve) members, or 2 (two) **Directors**, in any other case.
- 4.3.3 The authority of the **Board** to conduct a meeting entirely by electronic communication, or to provide for participation in a meeting by electronic communication, as set out in section 73(3) of the **Act**, is not limited or restricted by this **Memorandum**, so long as the electronic communication facility employed ordinarily enables all persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate effectively in the meeting.



- 4.3.4 The **Board** may determine the form and time for giving notice of its meetings, but:
- 4.3.4.1 such a determination must comply with any requirements set out in this **Memorandum**, or the **Rules**; and
- 4.3.4.2 no meeting of the **Board** may be convened without notice to all of the **Directors**.
- 4.3.5 The authority of the **Board** to proceed with a meeting despite a failure or defect in giving notice of the meeting, as set out in section 73(5) of the **Act**, is not limited or restricted by this **Memorandum**.
- 4.3.6 50% (fifty per cent) plus 1 (one) of the **Directors** must be present at a meeting before a vote may be called at a meeting of the **Board**.
- 4.3.7 Each **Director** has one vote on a matter before the **Board**.
- 4.3.8 A majority of the votes cast on a resolution is sufficient to approve that resolution.
- 4.3.9 In the case of a tied vote the chairman shall have a casting or second vote in addition to his deliberative vote as a **Director**.
- 4.3.10 The **Board** shall meet at regular intervals, from time to time as required. For this purpose an annual program of dates and times of meetings shall be circulated to all the **Directors** at the beginning of every calendar year.
- 4.3.11 Notice, confirmatory and otherwise, of any unscheduled meeting of the **Board** shall be given to all **Directors** not less than 10 (ten) **Business Days** prior to the date of the meeting.
- 4.3.12 The chairman shall cause for minutes of **Board** meetings to be kept in the prescribed manner and format, and any such minutes or an extract therefrom, signed by the chairman, shall be prima facie evidence of the matters stated therein.
- 4.4 **Indemnification of Directors**
- 4.4.1 The **Company** may advance expenses to a **Director** to defend litigation in any proceedings arising out of the **Director's** service to the **Company**, and may further directly or indirectly indemnify a **Director** for such expenses if the proceedings are abandoned or exculpate the **Director**, or if they arise in respect of any liability for which the **Company** is authorised to indemnify a **Director** in terms of 4.4.2 below.



4.4.2 The **Company** may indemnify a **Director** in respect of liability arising out of performance of his duties and actions taken as **Director** except to the extent that such liability arises from wilful misconduct or wilful breach of trust, or in the case of the **Director** having:

4.4.2.1 acted in the name of the **Company**, or performed any action on behalf of the **Company**, despite knowing that he or she lacked any and all authority to do so;

4.4.2.2 acted with gross negligence in such a manner that the **Company** is viewed to have conducted its business recklessly, with intent to defraud any person or for any fraudulent purpose; or

4.4.2.3 been party to any act or omission by the **Company** despite knowing that the act or omission was calculated to defraud a creditor, employee or member of the **Company**, or had another fraudulent purpose.

4.4.3 The **Company** is authorised to purchase insurance to protect:

4.4.3.1 a **Director** against any liability or expenses for which the **Company** is permitted to indemnify a **Director** in accordance with 4.4.2 above; or

4.4.3.2 the **Company** against any contingency including, but not limited to, any expenses or liability indemnification the **Company** is authorised to award to the **Directors**.

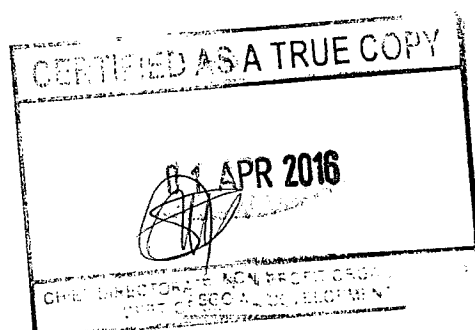
#### 4.5 **Alternate Directors, Officers and Committees**

4.5.1 The **Board** may appoint any **Officers** it considers necessary to better achieve the **Objects**;

4.5.2 The **Board** is authorised to appoint committees of **Directors**, and to delegate to any such committee any of the authority of the **Board**, as set out in section 72(1) of the **Act**, and to include in any such committee persons who are not **Directors**, as set out in section 73(2)(a) of the **Act**, as long as such committee members are not ineligible or disqualified from being **Directors** in terms of the **Act** or this **Memorandum**.

4.5.3 A committee appointed by the **Board** (refer 4.5.2 above) has the full authority of the **Board** in respect of a matter referred to it, and may consult with or receive advice from any person.

4.5.4 Each **Director** shall have the power at any time to appoint, and cancel such appointment, in writing under his hand any other person to act as alternate **Director** in his place during his absence or inability to act as **Director**, and on such appointment being made, the alternate **Director** shall in all respects have and exercise all the powers, rights, duties and



authorities of the **Director** appointing him, subject to such alternate **Director** satisfying all the eligibility and qualification requirements of a **Director** as set out in 4.1.8 above.

5 **GENERAL PROVISIONS**

5.1 **Interpretation**

The interpretation of this **Memorandum** shall rest entirely with the **Board**, whose interpretation shall be final and binding on all **Members** and **Directors**.

X   
Chairperson: RATA Social Services

**13 November 2015**  
Date signed

